

Executive Summary – Enforcement Matter – Case No. 49542

ALNC, INC.

RN105218556

Docket No. 2014-1588-MLM-E

Order Type:

1660 Agreed Order

Findings Order Justification:

N/A

Media:

MLM - AIR, WQ

Small Business:

Yes

Location(s) Where Violation(s) Occurred:

ALNC, located on Farm-to-Market ("FM") Road 2105 approximately 500 feet east of the intersection of Grape Creek Road and FM Road 2105, San Angelo, Tom Green County

Type of Operation:

Steel fabrication and manufacturing plant

Other Significant Matters:

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: The complainant has expressed an interest in this matter but does not wish to speak at Agenda.

Texas Register Publication Date: February 20, 2015

Comments Received: No

Penalty Information

Total Penalty Assessed: \$19,835

Amount Deferred for Expedited Settlement: \$3,967

Amount Deferred for Financial Inability to Pay: \$0

Total Paid to General Revenue: \$15,868

Total Due to General Revenue: \$0

Payment Plan: N/A

SEP Conditional Offset: \$0

Name of SEP: N/A

Compliance History Classifications:

Person/CN - High

Site/RN - High

Major Source: No

Statutory Limit Adjustment: N/A

Applicable Penalty Policy: April 2014

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ALNC, INC.
RN105218556
Docket No. 2014-1588-MLM-E

Investigation Information

Complaint Date(s): May 28, 2014

Complaint Information: Alleged periodically painting outdoors, painting with shop doors open, paint booth at the site does not have the proper filtration system/components, and that outdoor sandblasting activities were occurring at the facility without authorization.

Date(s) of Investigation: June 24, 2014 through July 8, 2014

Date(s) of NOE(s): October 10, 2014

Violation Information

1. Failed to obtain authorization to construct and operate a source of air emissions. Specifically, the Respondent failed to obtain authorization to conduct dry abrasive cleaning [30 TEX. ADMIN. CODE § 116.110(a) and TEX. HEALTH & SAFETY CODE §§ 382.085(b) and 382.0518(a)].
2. Failed to store paint in closed containers. Specifically, open containers of paint were observed at the Plant [30 TEX. ADMIN. CODE § 106.433(2)(C), TEX. HEALTH & SAFETY CODE § 382.085(b), and Permit by Rule ("PBR") Registration No. 86066].
3. Failed to conduct surface coating in an enclosed paint booth equipped with an elevated exhaust stack of at least 1.5 times the building height or 36 feet and dry filters with a 95% removal efficiency and with a face velocity at the filter of 250 feet per minute ("ft/min"). Specifically, it was observed that painting operations were conducted in a partially enclosed paint booth without an exhaust stack attached or filtration components to control emissions [30 TEX. ADMIN. CODE § 106.433(6)(B) and (C), TEX. HEALTH & SAFETY CODE § 382.085(b), and PBR Registration No. 86066].
4. Failed to maintain sufficient records in order to demonstrate compliance with the PBR for surface coating. Specifically, records of daily coatings and solvent use and actual hours of operation of each coating or stripping operation, and a monthly report representing actual hours of operation each day, emissions from each day, and emissions from each operation in pounds per hour, pounds per day, pounds per week, and tons emitted in the past year were not being maintained [30 TEX. ADMIN. CODE § 106.433(8)(B) and (C), TEX. HEALTH & SAFETY CODE § 382.085(b), and PBR Registration No. 86066].
5. Failed to maintain authorization to discharge stormwater associated with industrial activities under Texas Pollutant Discharge Elimination System ("TPDES") Multi-Sector Industrial General Permit ("MSGP") No. TXR05X853 [30 TEX. ADMIN. CODE § 281.25(a)(4) and 40 CODE OF FEDERAL REGULATIONS § 122.26(c)].

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ALNC, INC.

RN105218556

Docket No. 2014-1588-MLM-E

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

The Respondent has implemented the following:

- a. On August 3, 2014, installed a new paint booth door;
- b. On August 8, 2014, began using a third party to conduct dry abrasive cleaning; and
- c. On October 7, 2014, purchased and installed the required exhaust stacks for the paint booth and equipped the paint booth with dry filters with a 95% removal efficiency and with a face velocity at the filter of 250 ft/min.

Technical Requirements:

The Order will require the Respondent to:

- a. Within 30 days:

- i. Implement measures and/or procedures to ensure records are maintained.

Specifically:

(1) Data of daily coatings and solvent use and the actual hours of operation of each coating or stripping operation; and

(2) A monthly report that represents actual hours of operation each day, and emissions from each operation in the following categories:

(a) Pounds per hour;

(b) Pounds per day;

(c) Pounds per week; and

(d) Tons emitted from the Plant during the previous 12 months.

- ii. Implement measures and/or procedures to ensure paint is stored in closed containers;

iii. Develop and implement a Storm Water Pollution Prevention Plan to comply with the requirements of TPDES MSGP No. TXR050000; and

- iv. Submit a completed Notice of Intent.

- b. Within 45 days, submit written certification demonstrating compliance with Ordering Provision a.

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Litigation Information

Date Petition(s) Filed: N/A

Date Answer(s) Filed: N/A

SOAH Referral Date: N/A

Hearing Date(s): N/A

Settlement Date: N/A

Contact Information

TCEQ Attorney: N/A

TCEQ Enforcement Coordinator: Farhaud Abbaszadeh, Enforcement Division, Enforcement Team 4, MC 149, (512) 239-0779; Candy Garrett, Enforcement Division, MC 219, (512) 239-1456

TCEQ SEP Coordinator: N/A

Respondent: Colby Odell, Maintenance Manager, ALNC, INC., 2152 West Farm-to-Market Road 2105, San Angelo, Texas 76901

Clint N. Barta, Vice President/Owner, ALNC, INC., 2152 West Farm-to-Market Road 2105, San Angelo, Texas 76901

Respondent's Attorney: N/A



Penalty Calculation Worksheet (PCW)

Policy Revision 4 (April 2014)

PCW Revision March 26, 2014

TCEQ

DATES	Assigned	13-Oct-2014	Screening	20-Oct-2014	EPA Due	
	PCW	20-Oct-2014				

RESPONDENT/FACILITY INFORMATION

Respondent	ALNC, INC.		
Reg. Ent. Ref. No.	RN105218556		
Facility/Site Region	8-San Angelo	Major/Minor Source	Minor

CASE INFORMATION

Enf./Case ID No.	49542	No. of Violations	5
Docket No.	2014-1588-MLM-E	Order Type	1660
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media	Water Quality	Enf. Coordinator	Farhaud Abbaszadeh
		EC's Team	Enforcement Team 4
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$25,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties)	Subtotal 1	\$20,625
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ADJUSTMENTS (+/-) TO SUBTOTAL 1

Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.

Compliance History	-10.0%	Enhancement	Subtotals 2, 3, & 7	-\$2,062
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Notes: Reduction for high performer classification.

Culpability	No	0.0%	Enhancement	Subtotal 4	\$0
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Notes: The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply Total Adjustments	Subtotal 5	-\$937
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Economic Benefit	0.0%	Enhancement*	Subtotal 6	\$0
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Total EB Amounts \$3,494
Estimated Cost of Compliance \$60,430

*Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7	Final Subtotal	\$17,626
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OTHER FACTORS AS JUSTICE MAY REQUIRE	12.5%	Adjustment	\$2,209
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes: Enhancement to capture the avoided costs associated with compliance with Violation 1.

Final Penalty Amount	\$19,835
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STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty	\$19,835
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DEFERRAL	20.0%	Reduction	Adjustment	-\$3,967
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Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes: Deferral offered for expedited settlement.

PAYABLE PENALTY	\$15,868
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Screening Date 20-Oct-2014

Docket No. 2014-1588-MLM-E

PCW

Respondent ALNC, INC.

Policy Revision 4 (April 2014)

Case ID No. 49542

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN105218556

Media [Statute] Air

Enf. Coordinator Farhaud Abbaszadeh

Compliance History Worksheet

>> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action (<i>number of NOVs meeting criteria</i>)	0	0%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<i>number of judgments or consent decrees meeting criteria</i>)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (<i>number of counts</i>)	0	0%
Emissions	Chronic excessive emissions events (<i>number of events</i>)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which notices were submitted</i>)	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which violations were disclosed</i>)	0	0%
Please Enter Yes or No			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 0%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

High Performer

Adjustment Percentage (Subtotal 7) -10%

>> Compliance History Summary

Compliance
History
Notes

Reduction for high performer classification.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) -10%

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% -10%

Screening Date 20-Oct-2014

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PCW

Respondent ALNC, INC.

Policy Revision 4 (April 2014)

Case ID No. 49542

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN105218556

Media [Statute] Air

Enf. Coordinator Farhaud Abbaszadeh

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code § 116.110(a) and Tex. Health & Safety Code §§ 382.085(b) and 382.0518(a)

Violation Description Failed to obtain authorization to construct and operate a source of air emissions. Specifically, the Respondent failed to obtain authorization to conduct dry abrasive cleaning.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			

Percent 0.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor
	x		

Percent 5.0%

Matrix Notes

100% of the rule requirement was not met.

Adjustment \$23,750

\$1,250

Violation Events

Number of Violation Events 1

45 Number of violation days

mark only one with an x	daily	
	weekly	
	monthly	
	quarterly	x
	semiannual	
	annual	
	single event	

Violation Base Penalty \$1,250

One quarterly event is recommended based on the June 24, 2014 investigation date to the August 8, 2014 date of compliance.

Good Faith Efforts to Comply

25.0%

Reduction \$312

	Before NOE/NOV	NOE/NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary	x	
N/A		(mark with x)

Notes

The Respondent completed corrective actions on August 8, 2014 prior to the October 10, 2014 Notice of Enforcement ("NOE").

Violation Subtotal \$938

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$2,209

Violation Final Penalty Total \$915

This violation Final Assessed Penalty (adjusted for limits) \$915

Economic Benefit Worksheet

Respondent ALNC, INC.
Case ID No. 49542
Reg. Ent. Reference No. RN105218556
Media Air
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/Equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)	\$2,100	24-Jun-2014	8-Aug-2014	1.04	\$109	\$2,100	\$2,209

Notes for AVOIDED costs

Estimated cost to obtain authorization to conduct dry abrasive cleaning. The Date Required is the date of the investigation. The Final Date is the date the Respondent began using a third party to conduct dry abrasive cleaning.

Approx. Cost of Compliance

\$2,100

TOTAL

\$2,209

Screening Date 20-Oct-2014
Respondent ALNC, INC.
Case ID No. 49542
Reg. Ent. Reference No. RN105218556
Media [Statute] Air
Enf. Coordinator Farhaud Abbaszadeh

Docket No. 2014-1588-MLM-E

PCW

Policy Revision 4 (April 2014)

PCW Revision March 26, 2014

Violation Number 2

Rule Cite(s)

30 Tex. Admin. Code § 106.433(2)(C), Tex. Health & Safety Code § 382.085(b),
and Permit by Rule ("PBR") Registration No. 86066

Violation Description

Failed to store paint in closed containers. Specifically, open containers of paint were
observed at the Plant.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			X
Potential			

Percent 5.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix
Notes

Human health or the environment has been exposed to insignificant amounts of pollutants that
would not exceed levels that are protective of human health or environmental receptors as a result
of the violation.

Adjustment \$23,750

\$1,250

Violation Events

Number of Violation Events 1

1 Number of violation days

mark only one
with an x

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	X

Violation Base Penalty \$1,250

One single event is recommended.

Good Faith Efforts to Comply

0.0%

Reduction

\$0

Before NOE/NOV NOE/NOV to EDPRP/Settlement Offer

Extraordinary		
Ordinary		
N/A	X	(mark with x)

Notes

The Respondent does not meet the good faith criteria for
this violation.

Violation Subtotal \$1,250

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$4

Violation Final Penalty Total \$1,266

This violation Final Assessed Penalty (adjusted for limits) \$1,266

Economic Benefit Worksheet

Respondent ALNC, INC.
Case ID No. 49542
Reg. Ent. Reference No. RN105218556
Media Air
Violation No. 2

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$100	24-Jun-2014	20-Apr-2015	0.82	\$4	n/a	\$4

Notes for DELAYED costs

Estimated cost to implement measures and/or procedures to ensure paint is stored in closed containers. The Date Required is the date of the investigation. The Final Date is the estimated date of compliance.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/Equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$100

TOTAL

\$4

Screening Date 20-Oct-2014
Respondent ALNC, INC.
Case ID No. 49542
Reg. Ent. Reference No. RN105218556
Media [Statute] Air
Enf. Coordinator Farhaud Abbaszadeh
Violation Number 3
Rule Cite(s)

Docket No. 2014-1588-MLM-E

PCW

Policy Revision 4 (April 2014)
PCW Revision March 26, 2014

Violation Description

30 Tex. Admin. Code § 106.433(6)(B) and (C), Tex. Health & Safety Code § 382.085(b), and PBR Registration No. 86066

Failed to conduct surface coating in an enclosed paint booth equipped with an elevated exhaust stack of at least 1.5 times the building height or 36 feet and dry filters with a 95% removal efficiency and with a face velocity at the filter of 250 feet per minute ("ft/min"). Specifically, it was observed that painting operations were conducted in a partially enclosed paint booth without an exhaust stack attached or filtration components to control emissions.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			x
Potential			

Percent 5.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix Notes

Human health or the environment has been exposed to insignificant amounts of pollutants that would not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$23,750

\$1,250

Violation Events

Number of Violation Events 2

105 Number of violation days

mark only one with an x

daily	
weekly	
monthly	
quarterly	x
semiannual	
annual	
single event	

Violation Base Penalty \$2,500

Two quarterly events are recommended based on the June 24, 2014 investigation date to the October 7, 2014 date of compliance.

Good Faith Efforts to Comply

25.0%

Reduction \$625

	Before NOE/NOV	NOE/NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary	x	
N/A		(mark with x)

Notes

The Respondent completed corrective actions by October 7, 2014 prior to the October 10, 2014 NOE.

Violation Subtotal \$1,875

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$917

Violation Final Penalty Total \$1,829

This violation Final Assessed Penalty (adjusted for limits) \$1,829

Economic Benefit Worksheet

Respondent ALNC, INC.
Case ID No. 49542
Reg. Ent. Reference No. RN105218556
Media Air
Violation No. 3

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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No commas or \$

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)	\$41,730	24-Jun-2014	7-Oct-2014	0.29	\$40	\$800	\$840
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$14,000	24-Jun-2014	3-Aug-2014	0.11	\$77	n/a	\$77

Notes for DELAYED costs

Actual cost to replace and install a paint booth door, purchase and install the required exhaust stacks for the paint booth, and to equip the paint booth with dry filters with a 95% removal efficiency and with a face velocity at the filter of 250 ft/min. The Date Required is the date of the investigation. The Final Dates are the dates of compliance.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/Equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$55,730

TOTAL

\$917

Screening Date 20-Oct-2014

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PCW

Respondent ALNC, INC.

Policy Revision 4 (April 2014)

Case ID No. 49542

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN105218556

Media [Statute] Air

Enf. Coordinator Farhaud Abbaszadeh

Violation Number 4

Rule Cite(s)

30 Tex. Admin. Code § 106.433(8)(B) and (C), Tex. Health & Safety Code § 382.085(b), and PBR Registration No. 86066

Violation Description

Failed to maintain sufficient records in order to demonstrate compliance with the PBR for surface coating. Specifically, records of daily coatings and solvent use and actual hours of operation of each coating or stripping operation, and a monthly report representing actual hours of operation each day, emissions from each day, and emissions from each operation in pounds per hour, pounds per day, pounds per week, and tons emitted in the past year were not being maintained.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			

Percent 0.0%

>> Programmatic Matrix

Falsification			
	Major	Moderate	Minor
		X	

Percent 2.5%

Matrix Notes

30% to 70% of the rule requirement was not met.

Adjustment \$24,375

\$625

Violation Events

Number of Violation Events 1

118 Number of violation days

mark only one
with an x

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	X

Violation Base Penalty \$625

One single event is recommended.

Good Faith Efforts to Comply

0.0%

Reduction \$0

	Before NOE/NOV		NOE/NOV to EDPRP/Settlement Offer	
	Extraordinary	Ordinary	Extraordinary	Ordinary
N/A	X		(mark with x)	

Notes

The Respondent does not meet the good faith criteria for this violation.

Violation Subtotal \$625

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$21

Violation Final Penalty Total \$633

This violation Final Assessed Penalty (adjusted for limits) \$633

Economic Benefit Worksheet

Respondent ALNC, INC.

Case ID No. 49542

Reg. Ent. Reference No. RN105218556

Media Air

Violation No. 4

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Overtime Costs	EB Amount
No commas or \$							

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System	\$500	24-Jun-2014	20-Apr-2015	0.82	\$21	n/a	\$21
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated expense to implement measures and/or procedures to ensure compliance with record keeping requirements. The Date Required is the date of the investigation. The Final Date is the estimated date of compliance.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/Equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$500

TOTAL

\$21

Screening Date 20-Oct-2014

Respondent ALNC, INC.

Case ID No. 49542

Reg. Ent. Reference No. RN105218556

Media [Statute] Air

Enf. Coordinator Farhaud Abbaszadeh

Violation Number 5

Rule Cite(s) 30 Tex. Admin. Code § 281.25(a)(4) and 40 Code of Federal Regulations § 122.26(c)

Violation Description

Failed to maintain authorization to discharge stormwater associated with industrial activities under Texas Pollutant Discharge Elimination System Multi-Sector Industrial General Permit No. TXR05X853.

Docket No. 2014-1588-MLM-E

PCW

Policy Revision 4 (April 2014)

PCW Revision March 26, 2014

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			

Percent 0.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor
	X		

Percent 5.0%

Matrix Notes

100% of the rule requirement was not met.

Adjustment \$23,750

\$1,250

Violation Events

Number of Violation Events 12

1070 Number of violation days

mark only one
with an x

daily	
weekly	
monthly	
quarterly	X
semiannual	
annual	
single event	

Violation Base Penalty \$15,000

Twelve quarterly events are recommended based on the November 14, 2011 permit expiration date to the October 20, 2014 screening date.

Good Faith Efforts to Comply

0.0%

Reduction \$0

Before NOE/NOV NOE/NOV to EDPRP/Settlement Offer

Extraordinary		
Ordinary		
N/A	X	(mark with x)

Notes

The Respondent does not meet the good faith criteria for this violation.

Violation Subtotal \$15,000

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$343

Violation Final Penalty Total \$15,192

This violation Final Assessed Penalty (adjusted for limits) \$15,192

Economic Benefit Worksheet

Respondent ALNC, INC.
Case ID No. 49542
Reg. Ent. Reference No. RN105218556
Media Air
Violation No. 5

Percent Interest	Years of Depreciation
5.0	15

Item Cost Date Required Final Date Yrs Interest Saved Onetime Costs EB Amount
Item Description No commas or \$

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs	\$2,000	14-Nov-2011	20-Apr-2015	3.43	\$343	n/a	\$343
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated cost associated with preparing and submitting a Notice of Intent to obtain authorization and developing and implementing a stormwater pollution prevention plan. The Date Required is the date the previous permit expired. The Final Date is the estimated date of compliance.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/Equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$2,000

TOTAL

\$343

The TCEQ is committed to accessibility.

To request a more accessible version of this report, please contact the TCEQ Help Desk at (512) 239-4357.



History

Compliance History Report

PENDING Compliance History Report for CN603107699, RN105218556, Rating Year 2014 which includes Compliance (CH) components from September 1, 2009, through August 31, 2014.

Customer, Respondent, or Owner/Operator: CN603107699, ALNC, INC.

Classification: HIGH

Rating: 0.00

Regulated Entity: RN105218556, ALNC

Classification: HIGH

Rating: 0.00

Complexity Points: 5

Repeat Violator: NO

CH Group: 09 - Construction

Location: ON FARM-TO-MARKET ROAD 2105 APPROXIMATELY 500 FEET EAST OF THE INTERSECTION OF GRAPE CREEK ROAD AND FARM-TO-MARKET ROAD 2105 SAN ANGELO, TX, TOM GREEN COUNTY

TCEQ Region: REGION 08 - SAN ANGELO

ID Number(s):

AIR NEW SOURCE PERMITS REGISTRATION 86066

PETROLEUM STORAGE TANK REGISTRATION
REGISTRATION 86498

Compliance History Period: September 01, 2009 to August 31, 2014 **Rating Year:** 2014 **Rating Date:** 09/01/2014

Date Compliance History Report Prepared: October 24, 2014

Agency Decision Requiring Compliance History: Enforcement

Component Period Selected: October 20, 2009 to October 20, 2014

TCEQ Staff Member to Contact for Additional Information Regarding This Compliance History.

Name: Farhaud Abbaszadeh

Phone: (512) 239-0779

Site and Owner/Operator History:

- 1) Has the site been in existence and/or operation for the full five year compliance period? YES
- 2) Has there been a (known) change in ownership/operator of the site during the compliance period? NO
- 3) If **YES** for #2, who is the current owner/operator? N/A
- 4) If **YES** for #2, who was/were the prior owner(s)/operator(s)? N/A
- 5) If **YES**, when did the change(s) in owner or operator occur? N/A

Components (Multimedia) for the Site Are Listed in Sections A - J

A. Final Orders, court judgments, and consent decrees:

N/A

B. Criminal convictions:

N/A

C. Chronic excessive emissions events:

N/A

D. The approval dates of investigations (CCEDS Inv. Track. No.):

N/A

E. Written notices of violations (NOV) (CCEDS Inv. Track. No.):

A notice of violation represents a written allegation of a violation of a specific regulatory requirement from the commission to a regulated entity. A notice of violation is not a final enforcement action, nor proof that a violation has actually occurred.

N/A

F. Environmental audits:

N/A

G. Type of environmental management systems (EMSs):

N/A

H. Voluntary on-site compliance assessment dates:

N/A

I. Participation in a voluntary pollution reduction program:

N/A

J. Early compliance:

N/A

Sites Outside of Texas:

N/A

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
ALNC, INC.
RN105218556**

**§
§
§
§
§**

**BEFORE THE

TEXAS COMMISSION ON

ENVIRONMENTAL QUALITY**

AGREED ORDER DOCKET NO. 2014-1588-MLM-E

I. JURISDICTION AND STIPULATIONS

On _____, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding ALNC, INC. ("Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE chs. 7 and 26. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent together stipulate that:

1. The Respondent owns and operates a steel fabrication and manufacturing plant located on Farm-to-Market Road 2105 approximately 500 feet east of the intersection of Grape Creek Road and Farm-to-Market Road 2105 in San Angelo, Tom Green County, Texas (the "Plant").
2. The Plant consists of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12) and adjoins, is contiguous with, surrounds, or is near or adjacent to water in the state under TEX. WATER CODE § 26.001(5).
3. The Executive Director and the Respondent agree that the Commission has jurisdiction to enter this Agreed Order, and that the Respondent is subject to the Commission's jurisdiction.
4. The Respondent received notice of the violations alleged in Section II ("Allegations") on or about October 15, 2014.
5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.

6. An administrative penalty in the amount of Nineteen Thousand Eight Hundred Thirty-Five Dollars (\$19,835) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Fifteen Thousand Eight Hundred Sixty-Eight Dollars (\$15,868) of the administrative penalty and Three Thousand Nine Hundred Sixty-Seven Dollars (\$3,967) is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Agreed Order. The deferred amount will be waived upon full compliance with the terms of this Agreed Order. If the Respondent fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require the Respondent to pay all or part of the deferred penalty.
7. Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
8. The Executive Director and the Respondent agree on a settlement of the matters alleged in this enforcement action, subject to final approval in accordance with 30 TEX. ADMIN. CODE § 70.10(a).
9. The Executive Director recognizes that the Respondent has implemented the following corrective measures at the Plant:
 - a. On August 3, 2014, installed a new paint booth door;
 - b. On August 8, 2014, began using a third party to conduct dry abrasive cleaning; and
 - c. On October 7, 2014, purchased and installed the required exhaust stacks for the paint booth and equipped the paint booth with dry filters with a 95% removal efficiency and with a face velocity at the filter of 250 feet per minute ("ft/min").
10. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.
11. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
12. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

II. ALLEGATIONS

As owner and operator of the Plant, the Respondent is alleged to have:

1. Failed to obtain authorization to construct and operate a source of air emissions, in violation of 30 TEX. ADMIN. CODE § 116.110(a) and TEX. HEALTH & SAFETY CODE

§§ 382.085(b) and 382.0518(a), as documented during an investigation conducted from June 24 through July 8, 2014. Specifically, the Respondent failed to obtain authorization to conduct dry abrasive cleaning.

2. Failed to store paint in closed containers, in violation of 30 TEX. ADMIN. CODE § 106.433(2)(C), TEX. HEALTH & SAFETY CODE § 382.085(b), and Permit by Rule ("PBR") Registration No. 86066, as documented during an investigation conducted from June 24 through July 8, 2014. Specifically, open containers of paint were observed at the Plant.
3. Failed to conduct surface coating in an enclosed paint booth equipped with an elevated exhaust stack of at least 1.5 times the building height or 36 feet and dry filters with a 95% removal efficiency and with a face velocity at the filter of 250 ft/min, in violation of 30 TEX. ADMIN. CODE § 106.433(6)(B) and (C), TEX. HEALTH & SAFETY CODE § 382.085(b), and PBR Registration No. 86066, as documented during an investigation conducted from June 24 through July 8, 2014. Specifically, it was observed that painting operations were conducted in a partially enclosed paint booth without an exhaust stack attached or filtration components to control emissions.
4. Failed to maintain sufficient records in order to demonstrate compliance with the PBR for surface coating, in violation of 30 TEX. ADMIN. CODE § 106.433(8)(B) and (C), TEX. HEALTH & SAFETY CODE § 382.085(b), and PBR Registration No. 86066, as documented during an investigation conducted from June 24 through July 8, 2014. Specifically, records of daily coatings and solvent use and actual hours of operation of each coating or stripping operation, and a monthly report representing actual hours of operation each day, emissions from each day, and emissions from each operation in pounds per hour, pounds per day, pounds per week, and tons emitted in the past year were not being maintained.
5. Failed to maintain authorization to discharge stormwater associated with industrial activities under Texas Pollutant Discharge Elimination System ("TPDES") Multi-Sector Industrial General Permit ("MSGP") No. TXR05X853, in violation of 30 TEX. ADMIN. CODE § 281.25(a)(4) and 40 CODE OF FEDERAL REGULATIONS § 122.26(c), as documented during an investigation conducted from June 24 through July 8, 2014.

III. DENIALS

The Respondent generally denies each allegation in Section II ("Allegations").

IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that the Respondent pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and the Respondent's compliance with all the terms and conditions set forth in this Agreed Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations which are not raised here. Administrative penalty payments shall be made payable to

"TCEQ" and shall be sent with the notation "Re: ALNC, INC., Docket No. 2014-1588-MLM-E" to:

Financial Administration Division, Revenue Operations Section
Attention: Cashier's Office, MC 214
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088

2. It is further ordered that the Respondent shall undertake the following technical requirements:
 - a. Within 30 days after the effective date of this Agreed Order:
 - i. Implement measures and/or procedures to ensure records are maintained in accordance with 30 TEX. ADMIN. CODE § 106.433(8). Specifically:
 - (1) Data of daily coatings and solvent use and the actual hours of operation of each coating or stripping operation; and
 - (2) A monthly report that represents actual hours of operation each day, and emissions from each operation in the following categories:
 - (a) Pounds per hour;
 - (b) Pounds per day;
 - (c) Pounds per week; and
 - (d) Tons emitted from the Plant during the previous 12 months.
 - ii. Implement measures and/or procedures to ensure paint is stored in closed containers;
 - iii. Develop and implement a Storm Water Pollution Prevention Plan to comply with the requirements of TPDES MSGP No. TXR050000; and
 - iv. Submit a completed Notice of Intent to:

Storm Water and Pretreatment Team, MC 148
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087
 - b. Within 45 days after the effective date of this Agreed Order, submit written certification as described below, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance

with Ordering Provision No. 2.a. The certification shall be notarized by a State of Texas Notary Public and include the following certification language:

"I certify under penalty of law that I have personally examined and am familiar with the information submitted and all attached documents, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the submitted information is true, accurate and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fines and imprisonment for knowing violations."

The certification shall be submitted to:

Order Compliance Team
Enforcement Division, MC 149A
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

with a copy to:

Air Section Manager
San Angelo Regional Office
Texas Commission on Environmental Quality
622 South Oakes, Suite K
San Angelo, Texas 76903-7035

3. The provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Site operations referenced in this Agreed Order.
4. If the Respondent fails to comply with any of the Ordering Provisions in this Agreed Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, the Respondent's failure to comply is not a violation of this Agreed Order. The Respondent shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. The Respondent shall notify the Executive Director within seven days after the Respondent becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.
5. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.

6. This Agreed Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
7. This Agreed Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this Agreed Order may be copied, scanned, digitized, converted to electronic portable document format ("pdf"), or otherwise reproduced and may be transmitted by digital or electronic transmission, including but not limited to facsimile transmission and electronic mail. Any signature affixed to this Agreed Order shall constitute an original signature for all purposes and may be used, filed, substituted, or issued for any purpose for which an original signature could be used. The term "signature" shall include manual signatures and true and accurate reproductions of manual signatures created, executed, endorsed, adopted, or authorized by the person or persons to whom the signatures are attributable. Signatures may be copied or reproduced digitally, electronically, by photocopying, engraving, imprinting, lithographing, electronic mail, facsimile transmission, stamping, or any other means or process which the Executive Director deems acceptable. In this paragraph exclusively, the terms "electronic transmission", "owner", "person", "writing", and "written" shall have the meanings assigned to them under TEX. BUS. ORG. CODE § 1.002.
8. Under 30 TEX. ADMIN. CODE § 70.10(b), the effective date is the date of hand-delivery of the Order to the Respondent, or three days after the date on which the Commission mails notice of the Order to the Respondent, whichever is earlier.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

Ramona
For the Executive Director

09/14/15
Date

I, the undersigned, have read and understand the attached Agreed Order. I am authorized to agree to the attached Agreed Order on behalf of the entity indicated below my signature, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I also understand that failure to comply with the Ordering Provisions, if any, in this order and/or failure to timely pay the penalty amount, may result in:

- A negative impact on compliance history;
- Greater scrutiny of any permit applications submitted;
- Referral of this case to the Attorney General's Office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions;
- Automatic referral to the Attorney General's Office of any future enforcement actions; and
- TCEQ seeking other relief as authorized by law.

In addition, any falsification of any compliance documents may result in criminal prosecution.

Clint N. Barta
Signature

1/15/15
Date

Clint N. Barta
Name (Printed or typed)
Authorized Representative of
ALNC, INC.

Vice President/Owner
Title

Instructions: Send the original, signed Agreed Order with penalty payment to the Financial Administration Division, Revenue Operations Section at the address in Section IV, Paragraph 1 of this Agreed Order.